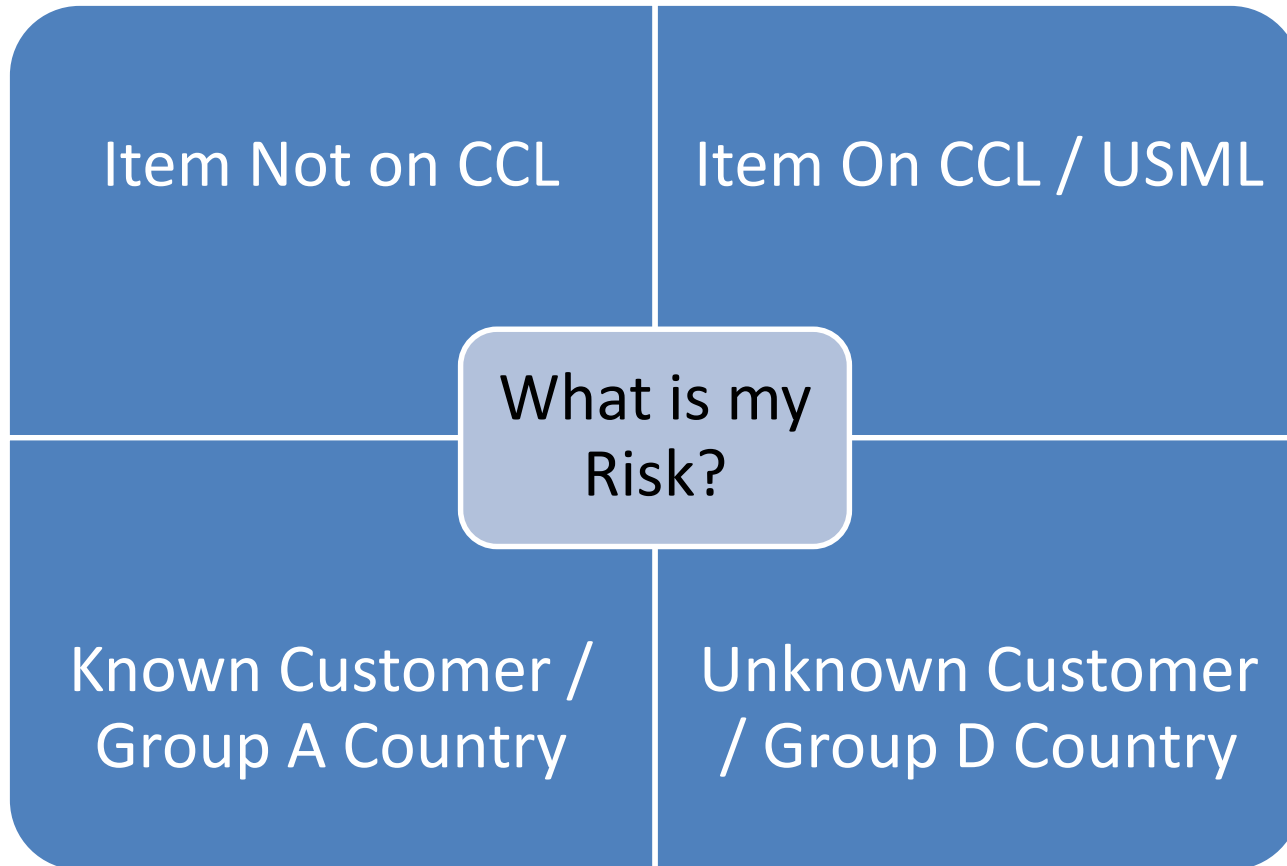


# Developing Practical Compliance Practices

## *Export Compliance Workshop*

University of Miami, May 23, 2018

# Assessing Compliance Risk



**Lower Risk → Higher Risk**

# Scope Your Compliance Program

- ITAR vs. EAR Commodities
- Consider ITAR Defense Services and Brokering Activities
- Know What You Don't Know
- Consider Foreign Affiliates
- Adhere to DDTC and BIS Guidelines

[https://www.pmddtc.state.gov/sys\\_attachment.do?sys\\_id=35c9a068db995f00d0a370131f9619bb](https://www.pmddtc.state.gov/sys_attachment.do?sys_id=35c9a068db995f00d0a370131f9619bb)

<https://www.bis.doc.gov/index.php/forms-documents/pdfs/1641-ecp/file>

# Start Small (if you have to)

- **Start with the Basics**
  - ❑ **Defining roles and responsibilities**
  - ❑ **Required documentation for every export order**
    - ✓ **Signed and dated PO**
    - ✓ **End-user / End-use Statement**
    - ✓ **Export classification**
    - ✓ **License determination**
  - ❑ **Recordkeeping requirements**

# Start Small (if you have to)

- Screen Every Order
  - ❑ Commodity jurisdiction and classification
  - ❑ Country of ultimate destination
  - ❑ End-user
  - ❑ End-use
  - ❑ “Red flags” (illegal diversion)
  - ❑ License determination
  - ❑ Formal export approval process
  - ✓ Empowered Official or Compliance Officer

# Compliance Program Must Haves

- Senior management support
- Tailored to your business
- Consistent repeatable process
- Bench strength and depth (backups)
- Redundancies (no single point of failure)
- Documented
- Updated as regulations and company change

# Compliance Program Must Haves

- **Know Your Customer!**
- **Get the facts in writing**
- **Understand how and where your item will be used**
  - ❑ **End-item (tail number), system/subsystem**
  - ❑ **Country in which the vessel or aircraft is located**
  - ❑ **Country in which the vessel or aircraft is registered**
  - ❑ **Country, including a national thereof, which is controlling, leasing, or chartering the vessel or aircraft**

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